Green Mountain Energy Company

"Getting Your Message Out ...

The Power of Integrated Communications"

Marci Grossman

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Agenda

Green Mountain Energy

- Introduction
- Company Background
- Starting from the Beginning
 - Stair step approach
- What is a Message
- Integrated Communications
- Texas Launch Case Study
- Key Take Aways



Marci Grossman

- Joined Green Mountain Energy Co. in March
- 17 plus years of communications experience
- Director of Communications, Dell Computer
- Director of PR Ameritech Cellular

• Sears, Allstate, Broadcast News



Our Mission

Use the power of customer demand to change the way power is made.



Background

- Founded in 1997 in Vermont
- Relocated to Austin, in July 2000
- Largest, fastest growing residential provider of cleaner electricity
- More than a half of million customers in six states:
 - California, Connecticut, Ohio, Pennsylvania,
 New Jersey, Texas

Starting from the Beginning

- What are you trying to accomplish?
- Is it local or national? Grassroots or turn key?
- What is your overall strategy?
- What is the role of communications in your overall plan?
- Audience - who are you trying to reach?
- Make sure communications activities are aligned with business objectives
 - **Coordinate with marketing/advertising**

Green Mountain Energy

Determining Priorities

- Start small don't try to accomplish too much in beginning
- Be focused
- Spread resources and leverage dollars
- Put metrics in place
- Be aligned with business objectives
- Plan, plan, plan!

Green Mountain Energy

Developing Messages

- What are you trying to communicate?
- Develop 3-5 key messages with supporting proof points
- Keep it simple, easy to remember and understand (KISS)
- Don't use jargon renewable even
- Make sure messages support brand and are consistent with corporate positioning



Developing Story Ideas

- Brainstorm ideas that interest media
- Develop targeted pitches by media
- Include marketing, sales, customer care, advertising in brainstorm
- Leverage relevant news/trends.
- Rule of thumb: "Would it interest you?"
- Can it stand out through the clutter?



Leveraging Customers

- Customers are greatest weapon
- Work with sales
- Develop database
- Provide media with customers for their stories
 - Offer this, they don't ask for it
- Write case studies about good customer experiences



Being Integrated

- Create cross-functional team that meets regularly
 - Marketing, Sales, Customer Care, PR, Advertising, Events, Legal, etc.
- Make sure consistent theme/message is carried across all mediums/disciplines
- Make sure everything supports business objectives
- Coordinate timing of activities
 - ➤ News release Web site
 - ➤ Direct Mail Telemarketing



Texas Pilot Case Study

Situational Analysis

- Texas Electric Choice Pilot Program was beginning June 1
- Targeting key geographical regions
- Product offering was 100% wind

Challenges

- Highly competitive marketplace
- Little brand recognition
- Product priced at small premium
- Media had already covered story thoroughly
- Small budget for PR



Texas Pilot Case Study

Goals

- Educate consumers about Deregulation
- Educate consumers about Green Mountain Energy Company
- Educate consumers about clean energy, pollution free energy, conservation issues

Objectives

Green Mountain Energy

- Generate awareness of product offering
- Build company's brand and value proposition
- Differentiate us from competitors
- Effectively communicate key messages

Strategy

- Three-tiered communications program
 - 1. Promote awareness of clean air and environmental tie in
 - 2. Consumer outreach grassroots event in Dallas to build awareness and create visuals
 - 3. Strategic, ongoing Media Relations Campaign to create buzz



Execution Phase One

Texas Fresh Air Project

- Announced partnership with American Forests and donation of 10,000 trees
- To help restore damaged forest ecosystems and contribute to clean air in the state
- Complement the environmental choice Texans make when choosing 100 percent pollution free wind power

Execution Phase Two

Dallas Grassroots Event

- Super Earth, company "spokesearth" interacted with consumers to discuss cleaner electricity (local people)
- Handed out tree seedlings/collateral to complement Texas Fresh Air Project announcement
- Messengered seedlings to Austin, Houston and Dallas media with press kits
- Extensive pitching/follow up with media; hired AP stringer; produced B-roll tape



Super Earth Hands Out Seedlings In Dallas' West End





Execution Phase Three

- Aggressive media relations campaign
 - Weeks, months leading up to pilot program launch
 - Interviews and background sessions with print and broadcast media in primary markets
 - Interviews with media in smaller markets
 - Ongoing pitching, follow up



The Ballas Morning News

Tuesday . April 3, 2001

Wind-power firm signing customers

Austin business part of pilot plan

By Charlene Oldham Sing! Without

Texans who want wind power can sign up with Austin-based Green Mountain Energy Co. starting Tuesday.

The retail electric provider plans to generate electricity exclusively at West Texas wind farms for customers who sign up for a pilot electric deregulation program that begins June 1.

Power companies other than "investor-owned utilities" such as TXU Electric can begin providing electricity then to customers who decide to switch charged by incumbent utilities. during the pilot program.

The limited test will allow 5 to pick a new electricity compuny. The program is a rehearsal for Jan. 1, when all customers of the state's investorowned electric providers will have a chance to shop around for the first time in about 100. years.

During the pilot, Green Mountain is offering a fixed rate of 9.2 cents a kilowatt-hour. plus a monthly service fee of \$4.95, for customers currently served by TXU Electric and Texas-New Mexico Power Co.

Houston-area customers currently served by Reliant Energy Inc. will pay 9.8 cents a kilowatt-hour, plus the monthly fee. Reliant is also offering a renewable energy option to people outside its existing service area during the pilot program.

Renewable energy rates represent a small premium over those

Still, green power proved an attractive draw for consumers percent of all utility customers in already deregulated states such as Pennsylvania, where the state Public Utility Commission estimates at least 80,000 of the 568,000 customers who have abandoned regulated utilities moved to companies that offer greenenergy options.

According to Green Mountain's market research, 22 percent of Texans surveyed said they'd be willing to pay a \$5 to \$8 monthly premium for renewable energy.

"Electricity and the production of electricity is the leading industrial source of air pollution in the United States," said Gillan Taddune, vice president and general manager at Green Mountain, which serves about 70,000 customers in Pennsylvania. "This allows people to do something about it."

In addition to opening the market to competitors that could offer lower rates, deregulation gives most consumers the option to buy power from plants that aren't fueled by coal, lignite or other nonrenewable resources for the first time.

Tom Gray, spokesman for the American Wind Energy Association, said Pennsylvania power regulators did a good job of letting people know why they might want to switch from cerns," he said.



Windmills generate electricity near Guadalupe Mountains National Park in West Texas.

investor-owned utilities whether they want lower prices or less pollution.

"That's led to more people switching from their existing utility and more people choosing renewable energy . . . because of environmental con-



Results

- Met with 14 different reporters in primary and smaller markets
- More than 20 stories ran in key markets
 - Repeated broadcast coverage
 - All five Dallas stations covered event; Houston,
 Austin
- Key messages were picked up; connections made between GMEC and cleaner air
- AP Photo was picked up
- Most prominently featured REP by media during the week of pilot launch



Key Learnings

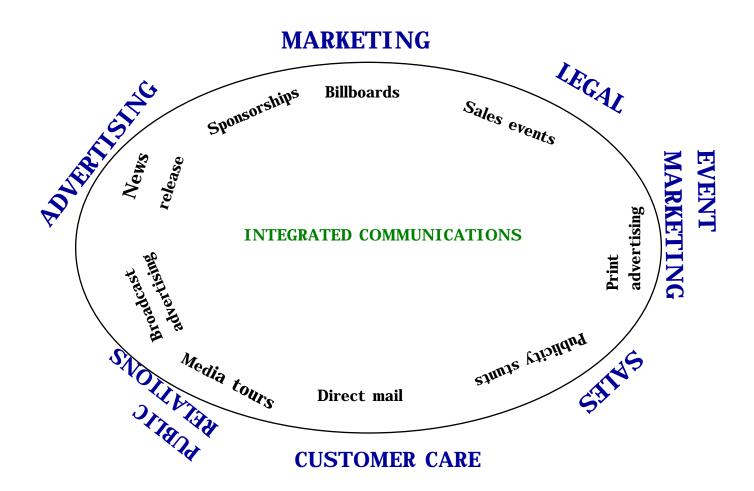
- Visual/publicity stunt in advance works
- Visual element gets attention
- Grassroots media relations good for filling marketing gap
- Creating a news hook gave us an edge
- Being integrated with company position/messaging is essential
- Being coordinated with marketing is key
- Planning and being strategic is a must
- Having trained spokespeople is essential



Show Texas Integrated Communications video



Conclusion





Thank You for Your Time.

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